

CASINO CONTROL COMMISSION

Tennessee Avenue and Boardwalk
Atlantic City, NJ 08401

CCC Announces 1st Quarter 2006 Results

For Immediate Release

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ATLANTIC CITY -- Casinos here reported a 15.9 percent increase in gross operating profits in the first quarter of 2006, according to figures released Wednesday by the New Jersey Casino Control Commission.

Gross operating profits totaled \$311.7 million for the three-month period compared to \$268.9 million for the same period last year. Net revenues rose by 7.7 percent for the period to \$1.2 billion.

The Borgata led the industry with gross operating profits of \$65.9 million for the quarter, an increase of 11.8 percent. Bally's Atlantic City earned \$42.2 million in gross operating profits for a 28.5 percent increase; Harrah's reported gross operating profits of \$41.7 million, an increase of 11.8 percent over the same period last year; and Caesars reported gross operating profits of \$34.9 million, an increase of 4.5 percent.

Showboat reported a 4.5 percent increase in gross operating profits to \$32.1 million; Tropicana reported a 48.6 percent increase to \$28.4 million; Trump Taj Mahal reported \$27.1 million in gross operating profits, up 11.1 percent; and Trump Marina earned \$11.2 million in gross operating profits, a decline of 1 percent from the same period a year ago.

The Atlantic City Hilton earned \$10.5 million in gross operating profits, compared to \$2.9 million in the same period a year ago; Trump Plaza earned \$8.2 million, or 8 percent less than in the first quarter a year ago; the Sands earned \$4.9 million in gross operating profits, up 55.3 percent; and Resorts earned \$4.7 million, or 22.4 percent less than a year ago.

Gross operating profit represents earnings before interest, taxes, depreciation, amortization and charges from affiliates. After all of those other charges, the industry reported net income of \$73 million compared to a net loss of \$20.1 million in the first quarter of last year. Hotel occupancy was 88.9 percent for the quarter compared with 86.2 percent in the first quarter of 2005. Promotional allowances and expenses increased by 9.4 percent in the quarter to \$380.9 million.

(Copies of individual quarterly reports are available on the Commission's web page at www.state.nj.us/casinos/financia/qtrincome/ . For more information contact the Office of Communications at 609 441-3799.)

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2006 AND 2005**
(\$ in Thousands)

	Net Revenue		Fav (Unfav) Var %	Gross Operating Profit		Fav (Unfav) Var %	Net Income		Fav (Unfav) Var %
	<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>	
AC Hilton (a)	\$ 70,420	\$ 58,695	20.0	\$ 10,479	\$ 2,868	N/A	\$ 4,638	\$ (5,213)	N/A
Bally's AC (b)	158,051	145,679	8.5	42,232	32,854	28.5	6,626	(3,743)	N/A
Borgata	187,568	172,134	9.0	65,862	58,887	11.8	44,710	37,934	17.9
Caesars (b)	122,213	115,692	5.6	34,885	33,384	4.5	5,577	4,691	18.9
Harrah's Marina	112,249	99,817	12.5	41,715	37,324	11.8	12,746	9,537	33.6
Resorts	58,278	56,367	3.4	4,688	6,039	(22.4)	(7,293)	(3,169)	N/A
Sands	40,774	39,966	2.0	4,889	3,149	55.3	441	(1,669)	N/A
Showboat	95,280	82,383	15.7	32,065	30,685	4.5	2,227	514	N/A
Tropicana	114,738	106,328	7.9	28,393	19,102	48.6	2,697	(25,990)	N/A
Trump Marina	56,845	57,713	(1.5)	11,205	11,322	(1.0)	964	(6,803)	N/A
Trump Plaza	63,414	63,918	(0.8)	8,205	8,917	(8.0)	(3,755)	(11,614)	67.7
Trump Taj Mahal	<u>117,339</u>	<u>112,606</u>	4.2	<u>27,104</u>	<u>24,388</u>	11.1	<u>3,375</u>	<u>(14,588)</u>	N/A
Industry	<u>\$ 1,197,169</u>	<u>\$ 1,111,298</u>	7.7	<u>\$ 311,722</u>	<u>\$ 268,919</u>	15.9	<u>\$ 72,953</u>	<u>\$ (20,113)</u>	N/A

(a) Caesars Entertainment, Inc. sold AC Hilton to Colony Capital, LLC on April 26, 2005.

(b) Harrah's Entertainment, Inc. acquired Caesars Entertainment, Inc. on June 13, 2005, and is now the owner of Bally's AC and Caesars.

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED MARCH 31, 2006
(\$ in Thousands)**

	AC Hilton (Colony)	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:													
Casino	\$ 78,351	\$ 160,186	\$ 174,256	\$ 126,672	\$ 118,180	\$ 64,441	\$ 42,915	\$ 103,178	\$ 107,381	\$ 59,551	\$ 67,379	\$ 121,014	\$ 1,223,504
Rooms	5,071	11,968	21,231	9,130	11,494	5,160	2,888	9,429	16,502	4,203	5,088	7,798	109,962
Food and Beverage	10,396	20,270	27,880	15,141	14,004	7,333	4,405	14,179	14,489	6,406	7,344	12,856	154,703
Other	2,585	6,751	6,990	4,325	2,301	1,489	539	2,021	4,829	1,827	2,004	3,921	39,582
Total Revenue	96,403	199,175	230,357	155,268	145,979	78,423	50,747	128,807	143,201	71,987	81,815	145,589	1,527,751
Less: Promotional Allowances	25,983	41,124	42,789	33,055	33,730	20,145	9,973	33,527	28,463	15,142	18,401	28,250	330,582
NET REVENUE	70,420	158,051	187,568	122,213	112,249	58,278	40,774	95,280	114,738	56,845	63,414	117,339	1,197,169
COSTS AND EXPENSES:													
Cost of Goods and Services	46,245	106,522	95,408	79,224	57,267	42,817	26,915	53,382	68,673	35,600	38,349	71,413	721,815
Selling, General, and Administrative	13,234	9,219	24,662	7,521	13,107	10,678	8,888	9,701	17,225	9,789	16,311	18,251	158,586
Provision for Doubtful Accounts	462	78	1,636	583	160	95	82	132	447	251	549	571	5,046
Total Costs & Expenses	59,941	115,819	121,706	87,328	70,534	53,590	35,885	63,215	86,345	45,640	55,209	90,235	885,447
GROSS OPERATING PROFIT	10,479	42,232	65,862	34,885	41,715	4,688	4,889	32,065	28,393	11,205	8,205	27,104	311,722
Depreciation and Amortization	4,718	11,305	14,498	10,126	9,436	4,849	3,830	8,573	12,769	3,547	4,642	8,376	96,669
Charges from Affiliates Other than Interest:													
Management Fees	-	-	-	-	-	-	-	-	9,500	-	-	-	9,500
Other	-	2,777	-	2,194	3,699	-	90	5,276	-	817	308	1,486	16,647
INCOME (LOSS) FROM OPERATIONS	5,761	28,150	51,364	22,565	28,580	(161)	969	18,216	6,124	6,841	3,255	17,242	188,906
OTHER INCOME (EXPENSES):													
Interest (Expense) - Affiliates	-	(12,410)	-	(10,864)	(13,000)	(5,891)	-	(14,432)	(8,760)	(5,123)	(6,212)	(12,402)	(89,094)
Interest (Expense) - External	-	(183)	(4,082)	(128)	-	(322)	(111)	-	(6)	(320)	(581)	(661)	(6,394)
Invest. Alt. Tax & Related Income (Exp.)-Net	(507)	(1,265)	(730)	(861)	(1,105)	(209)	(368)	127	(469)	(212)	(279)	(507)	(6,385)
Nonoperating Income (Expense) - Net	17	(660)	(1,475)	(143)	(175)	(622)	203	133	4,791	201	255	579	3,104
Total Other Income (Expenses)	(490)	(14,518)	(6,287)	(11,996)	(14,280)	(7,044)	(276)	(14,172)	(4,444)	(5,454)	(6,817)	(12,991)	(98,769)
Income(Loss) Before Taxes&Extraordinary Items	5,271	13,632	45,077	10,569	14,300	(7,205)	693	4,044	1,680	1,387	(3,562)	4,251	90,137
Provision (Credit) for Income Taxes	633	7,006	367	4,992	1,554	88	252	1,817	(1,017)	423	193	876	17,184
Income (Loss) Before Extraordinary Items	4,638	6,626	44,710	5,577	12,746	(7,293)	441	2,227	2,697	964	(3,755)	3,375	72,953
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ 4,638	\$ 6,626	\$ 44,710	\$ 5,577	\$ 12,746	\$ (7,293)	\$ 441	\$ 2,227	\$ 2,697	\$ 964	\$ (3,755)	\$ 3,375	\$ 72,953

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED MARCH 31, 2005
(\$ in Thousands)**

	AC Hilton (Caesars Ent)	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:													
Casino	\$ 62,074	\$ 146,984	\$ 162,054	\$ 116,733	\$ 103,820	\$ 61,257	\$ 44,537	\$ 88,065	\$ 97,314	\$ 63,033	\$ 70,754	\$ 122,757	\$ 1,139,382
Rooms	4,683	10,716	20,233	8,606	10,499	4,558	2,294	8,782	12,991	3,953	5,260	7,239	99,814
Food and Beverage	8,262	19,806	28,061	13,675	11,709	4,870	4,866	9,724	13,597	7,017	8,307	12,227	142,121
Other	2,650	5,463	5,217	4,516	2,028	1,357	807	790	5,144	1,915	2,652	3,636	36,175
Total Revenue	77,669	182,969	215,565	143,530	128,056	72,042	52,504	107,361	129,046	75,918	86,973	145,859	1,417,492
Less: Promotional Allowances	18,974	37,290	43,431	27,838	28,239	15,675	12,538	24,978	22,718	18,205	23,055	33,253	306,194
NET REVENUE	58,695	145,679	172,134	115,692	99,817	56,367	39,966	82,383	106,328	57,713	63,918	112,606	1,111,298
COSTS AND EXPENSES:													
Cost of Goods and Services	43,351	92,640	90,616	62,509	51,019	39,973	27,612	44,319	67,229	35,767	39,763	69,050	663,848
Selling, General, and Administrative	12,353	19,985	22,438	18,930	11,348	10,311	9,076	7,267	19,652	10,422	14,886	18,836	175,504
Provision for Doubtful Accounts	123	200	193	869	126	44	129	112	345	202	352	332	3,027
Total Costs & Expenses	55,827	112,825	113,247	82,308	62,493	50,328	36,817	51,698	87,226	46,391	55,001	88,218	842,379
GROSS OPERATING PROFIT	2,868	32,854	58,887	33,384	37,324	6,039	3,149	30,685	19,102	11,322	8,917	24,388	268,919
Depreciation and Amortization	4,466	11,392	13,373	8,440	9,142	4,822	4,079	8,688	10,344	5,433	5,240	12,295	97,714
Charges from Affiliates Other than Interest:													
Management Fees	2,015	4,790	-	3,772	-	-	-	-	9,900	-	-	-	20,477
Other	-	-	-	1,614	3,060	-	187	4,562	-	954	1,302	1,490	13,169
INCOME (LOSS) FROM OPERATIONS	(3,613)	16,672	45,514	19,558	25,122	1,217	(1,117)	17,435	(1,142)	4,935	2,375	10,603	137,559
OTHER INCOME (EXPENSES):													
Interest (Expense) - Affiliates	(4,500)	(12,339)	-	(9,984)	(13,000)	(5,310)	-	(14,441)	(13,410)	(10,746)	(13,046)	(23,533)	(120,309)
Interest (Expense) - External	27	(196)	(6,408)	(122)	-	(294)	(155)	-	(3)	(446)	(349)	(770)	(8,716)
Invest. Alt. Tax & Related Income (Exp.)-Net	(475)	(568)	(2,049)	(383)	(892)	(178)	(237)	(488)	(276)	(263)	(326)	(516)	(6,651)
Nonoperating Income (Expense) - Net	86	(4,943)	468	(170)	(162)	159	87	(1,115)	134	74	123	243	(5,016)
Total Other Income (Expenses)	(4,862)	(18,046)	(7,989)	(10,659)	(14,054)	(5,623)	(305)	(16,044)	(13,555)	(11,381)	(13,598)	(24,576)	(140,692)
Income(Loss) Before Taxes&Extraordinary Items	(8,475)	(1,374)	37,525	8,899	11,068	(4,406)	(1,422)	1,391	(14,697)	(6,446)	(11,223)	(13,973)	(3,133)
Provision (Credit) for Income Taxes	(3,262)	2,369	(409)	4,208	1,531	(1,237)	247	877	11,293	357	391	615	16,980
Income (Loss) Before Extraordinary Items	(5,213)	(3,743)	37,934	4,691	9,537	(3,169)	(1,669)	514	(25,990)	(6,803)	(11,614)	(14,588)	(20,113)
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ (5,213)	\$ (3,743)	\$ 37,934	\$ 4,691	\$ 9,537	\$ (3,169)	\$ (1,669)	\$ 514	\$ (25,990)	\$ (6,803)	\$ (11,614)	\$ (14,588)	\$ (20,113)

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2006**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	804	71,898	68,603	95.4%	\$ 73.96
Bally's AC	1,745	155,468	148,582	95.6%	80.49
Borgata	1,971	171,107	157,255	91.9%	131.80
Caesars	1,139	101,226	96,183	95.0%	94.34
Harrah's Marina	1,630	146,200	125,323	85.7%	91.71
Resorts	879	74,579	60,697	81.4%	85.69
Sands	620	47,916	44,546	93.0%	64.70
Showboat	1,309	117,810	107,616	91.3%	87.61
Tropicana	2,129	191,610	168,956	88.2%	97.67
Trump Marina	728	65,520	50,412	76.9%	83.37
Trump Plaza	906	81,360	61,812	76.0%	82.31
Trump Taj Mahal	1,250	112,500	98,327	87.4%	79.30
INDUSTRY TOTAL	15,110	1,337,194	1,188,312		
INDUSTRY AVERAGE				88.9%	\$92.09

* Number of guest rooms at end of quarter

As of 5/17/2006

**ATLANTIC CITY CASINO INDUSTRY
PROMOTIONAL ALLOWANCES AND EXPENSES
FOR THE QUARTER ENDED MARCH 31, 2006**
(\$ in Thousands)

	QUARTER		
	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>
AC Hilton (Colony)	\$ 25,983	\$ 2,776	\$ 28,759
Bally's AC	41,124	5,469	46,593
Borgata	42,789	10,086	52,875
Caesars	33,055	8,530	41,585
Harrah's Marina	33,730	3,121	36,851
Resorts	20,145	3,623	23,768
Sands	9,973	1,632	11,605
Showboat	33,527	833	34,360
Tropicana	28,463	3,767	32,230
Trump Marina	15,142	2,267	17,409
Trump Plaza	18,401	3,722	22,123
Trump Taj Mahal	28,250	4,502	32,752
Industry	<u>\$ 330,582</u>	<u>\$ 50,328</u>	<u>\$ 380,910</u>
Incr (Decr) vs. Prior Period	8.0%	20.1%	9.4%

**ATLANTIC CITY CASINO INDUSTRY
PROMOTIONAL ALLOWANCES AND EXPENSES
FOR THE QUARTER ENDED MARCH 31, 2005**
(\$ in Thousands)

	QUARTER		
	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>
AC Hilton (Caesars Ent.)	\$ 18,974	\$ 3,951	\$ 22,925
Bally's AC	37,290	5,113	42,403
Borgata	43,431	7,058	50,489
Caesars	27,838	5,974	33,812
Harrah's Marina	28,239	2,208	30,447
Resorts	15,675	1,233	16,908
Sands	12,538	2,002	14,540
Showboat	24,978	257	25,235
Tropicana	22,718	3,844	26,562
Trump Marina	18,205	2,421	20,626
Trump Plaza	23,055	3,353	26,408
Trump Taj Mahal	33,253	4,475	37,728
Industry	<u>\$ 306,194</u>	<u>\$ 41,889</u>	<u>\$ 348,083</u>